

REPRINT

The College Board Review

SCHOLARSHIPS



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THE COLLEGE BOARD REVIEW

News and Research of the
College Entrance Examination Board

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College Entrance Examination Board
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The College Entrance Examination Board is composed of 150 member colleges and 23 member educational associations. Each member college has two representatives on the Board. Member associations have from one to five representatives. Members and their representatives are listed in the *Annual Report of the Director*.

News of the Board

Seven colleges join Board

Seven colleges were admitted to College Board membership at the spring meeting of the Board. They are:

Caldwell College	Saint Joseph's College for Women
Jackson College	Michigan State College
Michigan State College	University of Redlands
Rollins College	The University of the South

The new members raise the Board's membership to a total of 150 colleges and 23 secondary school associations. Each college is entitled to one voting representative and one non-voting representative. Secondary school associations are entitled to from one to five voting representatives, according to the nature and scope of the organization.

Veterans SAT authorized

The Scholastic Aptitude Test has been authorized for use with veterans this summer at the discretion of the Director of the Board.

The test will be given at Board member colleges, either through special administrations or through providing the colleges with a secure form of the test for their own administration and scoring. Provision for summer testing was authorized as a precautionary measure in the event that it becomes necessary to examine veterans returning from Korea after the regular August testing date.

UAD committee to poll members

Further exploration of the uniform acceptance date by a special committee of the College Board will include a poll of the Board members and a report of recommendations to the Executive Committee.

The committee has been unable to decide, without further information on the purposes

and preferences of the members, whether the Board should set the uniform acceptance date and, if so, what the date should be.

The date, May 20 this year, represents an agreement by colleges subscribing to it that no accepted freshman candidate will be required to give notice, at any earlier time, of the college which he has decided to enter. This year, with the addition of Occidental College to those colleges listed in the February issue of the *Review*, 85 colleges have announced their intention to observe the date.

Transfer Test work expanded

Continuation of the College Transfer Test and the preparation of new forms of the test were assured by action of the College Board at its meeting on April 1.

In recognition of its steady growth in use and a registration of approximately 3,000 candidates during the current year, construction of additional forms of the test and the production of statistical data for normative purposes were authorized by the Board. The examination, a high level scholastic aptitude test, is required of transfer students by some colleges.

GCT added to program

The General Composition Test will be administered for the first time as a regular College Board examination next year.

Scheduled for the May series only, the test will be offered in 1954 and 1955 as one of the choices in the afternoon program. A two-hour essay test of writing ability, it may be taken alone or in combination with one additional Achievement Test. The cost of the afternoon program will remain the same as at present.

The test was added to the battery of examinations for college admission with the stipulation that its use will be reviewed at the end of the two-year period. It was explained that in the experimental administrations, the General Composition Test in most respects compared

College choice rule defeated

The proposal that a candidate be permitted to indicate his first choice of college and that the choice be reported by the College Board to that college only was defeated by majority vote of the Board at its meeting on April 1.

The first choice device had been suggested by Amherst College as an aid to the problem caused by the large number of candidates who send applications to several colleges. As a result, it was pointed out, each college now finds it very difficult to estimate how many accepted candidates will actually enroll.

Action on the proposal followed discussion of the plan and of the results of a questionnaire which had been sent to schools and colleges. Responses to the survey, it was reported, showed that institutions opposed to the plan outnumbered those in favor of it, 149 to 112.

Following the Board's rejection of the first choice proposal, a motion presented by C. William Edwards of Princeton University directed the Executive Committee to explore other administrative methods which might be used in connection with requests for score reports to ameliorate the multiple application problem.

favorably with the English Composition Test and the Verbal Section of the Scholastic Aptitude Test. However, when students were given two parallel forms of the General Composition Test their scores showed greater variability from form to form than is common with the other tests. It must be left to time and experience to determine whether this variability will impair the usefulness of the test for admission and guidance.

Offered in May, the test may be recom-

mended or required of preliminary candidates by colleges or schools. The majority of candidates who register for the May series are preliminary candidates.

At present, two forms of the General Composition Test are available to schools and colleges for their own purposes. Institutions which are interested in administering and scoring the test may order Form E, which was first distributed last spring, and Form F, which was used in the most recent experimental administration of the test. The forms may be ordered in specimen sets, at one dollar each, or in quantities of five or more, at thirty cents each. Orders should be addressed to the Educational Testing Service, 20 Nassau Street, Princeton, N. J.

Following the regular administration of the test next year, forms of the test will be offered to colleges to be used as a placement test in the fall and to be administered and scored by the colleges.

Colloquium registration to start

Registration blanks and detailed information on the Admissions Colloquium to be offered by the College Board from October 26 through October 30 has been mailed to representatives of the member colleges.

The colloquium has been planned to permit a comprehensive consideration of admissions problems and an exchange of information concerning them. Attendance will be necessarily limited to 80 representatives of the member colleges.

Board adds placement tests

The College Board has accepted responsibility for the course placement testing service operated by Educational Testing Service for several years and will make recent forms of the Achievement Tests available to colleges for this purpose.

The service will be continued by the Board as the result of requests from the member col-

leges which use the placement tests with admitted candidates to supplement information on subject matter achievement obtained through the entrance examination program. The placement tests are forms of Achievement Tests previously used in the regular program. They are administered and scored by the colleges.

Forms to be made available include one of the General Composition Test, four of each of the French, German, Latin, and Spanish Tests, two of each of the Chemistry and Physics Tests, and one of the Spatial Relations Test. The fee for the service will be twenty-five cents per test copy with no minimum order required.

Book on scores published

The publication of *College Board Scores: Their Use and Interpretation* is announced with this issue of the *Review*.

The 92-page book, written for the reader with little technical knowledge of testing, explains the ways in which the test scores may be used to advantage by schools and colleges. Forty-one tables of test data include material of the types formerly published each year in the *Annual Report of the Director* and the results of several studies not previously available.

Sunday service fee dropped

The special service fee of three dollars hitherto charged candidates who took College Board tests on three scheduled Sundays during the year will be eliminated in the future. These administrations of the tests are open only to candidates whose religious convictions prevent their taking the examinations on Saturday.

New Greek, Italian forms

The Director of the Board has been authorized to proceed with the construction of new forms of the Greek and Italian tests. These tests are available only in the examination series administered in March of each year.

The College Board symposium on scholarship policies and practices. Introduced — by JOHN M. STALNAKER

Viewpoints on Scholarships

A consideration of the role of scholarships in our contemporary society leads to the conclusion that scholarships are many things to many people. Most of us, quite understandably, view scholarships from a somewhat special point of view of a given institution. If we view the influences and implications of scholarship programs successively through the prejudiced eyes of several types of persons, having quite divergent interests, new complexities may appear. Unfortunately no simple solution, no golden formula, no royal road to the proper, or even the most effective, use of scholarship funds is revealed by this method. A better understanding of the complexities, however, may eventually help to point to solutions.

First, let us view the scholarships through the eyes of the executive of the large philanthropic foundation. To him, requests for scholarship funds are never-ending. He has been forced to view these numerous requests with a sharply critical eye while appearing the usual distant, unfathomable, and unapproachable character that his role demands. He knows that foundations have given and continue to give, large sums for scholarships of one type or another, and that some of the grants have been effective, but that the proportion of scholarships grants in relationship to the requests remains small. The rejection rate is high.

He is keenly aware, however, of the public attitude toward scholarships. To the general public, scholarships are good, and the givers of scholarships, virtuous. The recent Congressional



Scholarships are many things to many people

committee investigating foundations did not dare to question the worthiness of scholarship funds although it did question the wisdom of the selection of a few of the recipients. Large metropolitan newspapers will give free space even to commercial firms when they toss a few crumbs to the needy for scholarships, and the home town paper where a recipient lives goes even further.

This mythical foundation executive knows, as we all do, that scholarships are neither good nor bad in themselves, but that they are a device, an agent, a means to an end. Thus he seeks to determine for what purpose, direct or indirect, announced or concealed, are the scho-

larships actually to be used. And here the trouble begins.

In many cases the supplicant wants the money to build up his particular college and to increase its competitive advantage over its rivals. In addition to athletic talent it wants brains and character. It wants money so it can outbid others for the bright, good-looking, ambitious, personable, social-leader type, of sturdy American stock, honest, having parents of modest financial means from a rural or suburban address—in short, the ideal scholarship type. A foundation has a difficult time to justify such grants even to the alma maters of its board members. To give to one college and not another suggests a superiority of one institution which at the undergraduate level is usually established more by rhetoric than logic or evidence.

Another type of request is for scholarship funds to build up a field or area. If more physical scientists are needed, lush scholarship funds may draw the qualified but undecided into this field. If social sciences lack able quantitatively trained students, then scholarships—preferably larger than those offered in the physical sciences—will attract such students and encourage them to take the desired courses in order to have the scholarship renewed.

If economic barriers are preventing able youngsters from the higher education which



There is more truth than fiction in the cast of characters John M. Stalnaker describes in this article. He has known them all, in many places, while serving as Dean of Students, and Professor of Psychology, director of the Pepsi-Cola scholarship program, and a consultant to the Fund for the Advancement of Education. Now director of studies of the Association of American Medical Colleges, Mr. Stalnaker is a member of the College Board Committee on Research and Development and has been associated with the Board since 1936 in the capacities of Research Associate, Consultant Examiner, and Associate Secretary.



He views requests with a critical eye

would make them more productive, then the requests for grants to overcome these restrictions would seem justified. The foundation executive, if he but thinks about it, knows immediately that the entire resources of all of the private foundations together cannot support all those who claim to be needy at the level they would like to enjoy.

All he can hope to do is to find out something about the magnitude and nature of the problem. He may wish to find out if it is true today, as some earlier studies suggested, that many able and talented high school youths are not going on to college solely because of economic barriers. He is interested in what happens to these able youth. Is ability—untrained and undeveloped—lost in this complex scientific age? Or are there other routes than college to the development of this talent? Where should these able students go to college, near home at a low cost or away to a more expensive institution at a much greater cost? And what of the social and cultural factors which may keep able youths from going on to college?

Furthermore, how can he answer the foundation board member, who after all must approve the grant, who claims that especially today any talented youth can secure a first-rate higher education if he has the ambition? This board

member may remind his fellow members that he worked his way through college in the days when scholarships were fewer and jobs less available. And look at him today!

Experiments looking toward restructuring our educational system, or at least toward throwing doubts on accepted current educational practices can be helped through scholarship money. Our foundation executive notes that experiments now going on in the field of the transition from school to college are of this type. The possibilities of using scholarship funds to alter educational practice, he knows, are limited only by the limits of the imagination and the practical difficulties of obtaining the money. The foundation executive has other thoughts about scholarships, but he has taken enough of our time. Let us leave him as the inscrutable fellow he strives to be and frequently is.

PSYCHOLOGICAL PERSPECTIVE

The psychologist views scholarships from a different point of view. One of his interests is in the selection techniques used and their validity. He notes that large-scale scholarship selection programs are based chiefly on school records, test results, and recommendations. The smaller programs, and some of the larger ones, also use the personal interview. These various items are juggled together in an unspecified fashion—the medical people call it the exercise of clinical judgment—and the winner emerges. In spite of the crudities of the process the psychologist notes with more than passing interest that frequently several different colleges select the same individuals, and he would like to find out why, when there are so many to choose from.

He wonders if test results—usually the only element common to all applicants—are being given too much weight because of their convenience, although most selection groups know that past performance or total high school record is the best single predictor, poor though it be. Raw brain power as revealed through test

results and grades is probably being over-weighted, he suspects, and that complex of traits grouped under the heading of character is not being measured with reliability enough—not to mention validity—to permit it to exercise the weight which it should. He knows that the bright on tests and in school work are not always the leaders or productive people in the arts, literature, science, politics, or even "life."

The interview, our psychologist appreciates, is being justified as a device to measure character, but he knows that the interview, even under the most rigorous conditions, when handled by so-called experts, is a tricky device yielding results of undetermined value. From his research and from observation of the highly trained psychiatrist who must depend on the interview to a large extent, he learns that the best inter-



Items are juggled and the winner emerges

viewers are usually those who listen and do not talk. What can be done, he wonders, to get the interviewers to keep a record of their batting averages and thus become more humble as they increase their interviews rather than more confident. On the other hand, is the interview used chiefly as a device to "sell" the college and not primarily to find out about the applicant?

He sees investigation needed especially in the large area of motivation—ambition, we may call it—with its sub-group of personal adjustment. Our psychologist knows that perfect emotional adjustment is not to be found. The problem is to find the proper degree of maladjustment which results in the surplus nervous energy being produced and being directed into productive channels, rather than worthless ones. How can we measure simply and easily the extent to which a person will strive to reach a goal? Granted a certain amount of intellect, does not the motivation then become the significant differential among the scholarship applicants? Those who score high on our tests can learn complex tasks rapidly, but consider the influ-

ence of the well motivated, socially adjusted student whose fellow students trust and willingly follow!

Then if our psychologist allows himself to speak more freely—this is usually toward the end of the evening—he will, after a few remarks about the need for measuring the more deep-seated attitudes, launch into the problem of capitalizing on individual differences. Why do all groups strive for the same ideal person for scholarship help? He may even discourse on the problems of differential rates of growth and of maturing, and mention the popular concept of the late bloomers, the assumption of trait stability, and the difficulty of predicting the future for some youngsters who might be compared with one of a miscellaneous group of unlabeled dormant bulbs. Will the bloom be early or late, large or small, and will the color be true blue, yellow, or red?

THE PRESIDENT'S PURPOSES

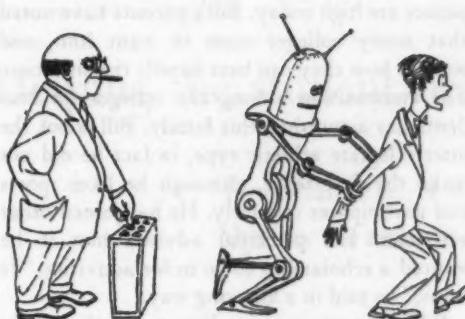
To the president of College X, selection techniques are not too important. Let the psychologist have his fun, he muses, so long as he does not interfere with the important purposes of the scholarship program. Sometimes his scientific techniques can provide a justification for a rejection which might otherwise prove embarrassing.

To our wise president the scholarship program serves many purposes. It allows the college to compete with other colleges in its class for some of the more able students. This competition can get out of hand, he appreciates. Actually, he is working on a cooperative plan now so that the colleges will not allow students to pit one against another and thus raise the ante.

His regional scholarship plan brings in students from the more remote parts of the country, and helps to make the college a national rather than a local institution. Probably all students profit from the heterogeneity of the student body thus produced. Also, if these students return to their home states they may build up alumni groups there and send more



A sprinkling of bright students helps



Can scholarships help industry?

students to the college, and even help to raise money. Alumni giving is becoming increasingly important.

The president knows that scholarships can serve as a worth-while reason for alumni groups to get together and work for the college. He is now revising the rules so that these groups will not get out of hand in their nominations. Anything which will get the alumni to think of something besides athletics is good, especially since the football team had such a bad season last year.

This wise college president knows that the intellectual level of his institution is important. While he recognizes that he cannot restrict admissions to the extremely able—economic conditions will not permit it—he does want to have a sprinkling of bright students from various economic levels to make the professors' fare more palatable.

HOW MUCH TO WHOM?

Our college president worries about the proper mixture of scholarship and loan funds and how to determine the amount of the stipend. He knows that what other institutions offer has a great deal to do with what he can offer, but he is searching for a more defensible basis. Why is it that requests for scholarship help are increasing while loan funds are largely unused? Should scholarship funds be large enough so that the needy recipients can spend as freely as students from well-to-do homes? At what point, he

wonders, should talented youth learn the hard realities of economic differentials which exist even today?

He is also worried about the cost of locating able youth of limited finances. It costs less to get students from middle and upper class suburban communities. He knows the need is greater but it is more difficult to locate students in the less accessible areas. How can these students be brought to the attention of selection groups? Will colleges cooperate on a search for the able?

INDUSTRIAL INTEREST

The industrialist has other ideas about scholarships. He wants to capitalize on the favorable public attitude toward scholarships. He also knows that the pressure of educational groups to get money from industry to support private higher education is increasing, and perhaps a scholarship program will relieve this pressure from his company. Perhaps a properly designed program will improve his public relations with his workers. Can a scholarship program also help him recruit able young men into his organization? Our industrialist approaches a college scholarship program with great hope. He consults a few educators for advice—unpaid, of course. The college presidents he consults heap praise upon his ideas and encourage him to include their institution in any program. The consultant with less of a vested interest may tell him to put the selection of scholarship winners in the hands of an independent board, to allow students free choice of college and of program of study, to make scholarship funds large enough to be of genuine help, to pay the private colleges an extra amount in addition to the tuition, and finally not to *require* the winners to work with the company even though that opportunity may be offered to them.

The industrialist filters this free advice through his paid staff, and finally secures an appropriation from his board of directors for a small scholarship program. His board recognizes that more large industries are probably going

to develop such programs, and are glad to get in on the ground floor. They insist, however, that little money be spent on administration and require that the program be arranged so that it can be dropped at any time. Our industrialist, like the college president, wonders how groups can cooperate in the expensive problem of discovering talent, yet retain the individuality of each organization sponsoring a program.

ENTER SENIOR BILL

Our bright young high school senior, Bill, has had his ideas about scholarships molded by his high school advisors, his friends, his parents, and the numerous college visitors to his high school. He has observed and his parents, you may be sure have also noted, that some of his friends whose family financial status is much superior to his have obtained sizeable scholarships. The attitude of "I'm bright. I deserve a scholarship," is familiar to him. Although he doesn't feel that way himself, he has definitely worked hard to keep his grades up to the "scholarship level" while enjoying other school activities and even the social life. He knows he is going to a college, scholarship help or not, but he is not sure which one. Where can he get the best scholarship help? That is where he is going to go.

Bill's home is in a Midwestern suburban community made up largely of substantial middle class business executives or successful sales managers like his father. His mother and father want him to go to college but at the least cost possible. His sister is still to be educated and ex-

penses are high today. Bill's parents have noted that many colleges seem to want him, and wonder how they can best handle the situation. The competition among the colleges for students has astonished this family. Bill is not the intercollegiate athletic type, in fact he did not make the first team, although he likes sports and participates regularly. He has joined other activities. His principal advised him if he wanted a scholarship to go in for activities. "It helps," he said in a knowing way.

Bill's parents are intelligent people. While they would like to see Bill go to the college that they attended, they do not believe that it is the only institution that now gives a quality education. Frankly, they are willing to bargain. If they must pay his full support, which they can, he will then go to the state university which is not too far from home. If he is to go further away they insist upon scholarship help. They would like him to go East, not because they think the education in the East is any better, but they think there may be some social and prestige values, and travel can be educational.

THE SIMPLE SOLUTION

Right now the parents are comparing the various preliminary offers and looking over the forms which they must fill out. Frankly, they favor the simpler form for they know they are not in dire need and do not want to maneuver too much to make their situation look desperate. So they eliminate the colleges with legalistic detailed financial forms. Bill is somewhat perplexed by all of this activity, but decides it is really just a part of the way in which the world operates. He will go to college—and with a scholarship. Scholarships, indeed, are many things to many people.

The discovery of the intellectually bright, personally stable, socially alert, ambitious student who can work well with his fellow students is a challenging task. Such students, properly trained, should make the leaders of tomorrow. Scholarships wisely used can and should help in this important task.



Bill is somewhat perplexed

Helping the student help himself

Financial need is a scholarship "must" at Harvard. Here is the way the amount of aid is determined—by JOHN U. MONRO

During the past three years at Harvard we have been working to develop a reliable, careful system for measuring and comparing the financial needs of students applying to us for aid.

We believe the time is right for the colleges to pool their thoughts on this problem. We would welcome a study by a committee of the Board Colleges on the problem of measuring financial need, and the publication of some generally accepted standards.

The upward spiral of costs is hurting us all. Last year at Harvard we awarded \$580,000 to help 1,010 men. This year we are spending \$627,000 to help 1,045 men. It is our biggest budget in history, and \$115,000 of it had to come from surpluses, or current giving. Next year our tuition jumps \$200 more, to \$800, and our scholarship budget must go up over \$800,000. We are all in the same treadmill, running hard, raising new money as fast as we can, just to stand still. We must ask the families of our students to help as much as they can, and to do this we should know what we may fairly expect of them.

In the past 25 years most of us have moved from a laissez-faire program of college admissions, where we took what came, to a program of planned recruiting. We use scholarships actively in our new plans. We want students of particular abilities or background, and we award scholarships to get them. We all want to find good students who can pay their way, and there is the good chance that scholarship awards to

one or two outstanding students in a school will encourage some of their classmates to come along.

So we find ourselves competing, and sometimes, of course, bidding against one another. The parents of able boys sit by, hopefully cheering, no doubt often amazed by what has come to pass in the colleges.

SOME COMPETITION GOOD

A certain amount of this competition is a good thing. The schools about the country are learning of our programs, and our interest. We are helping good students, most of whom need scholarship help to go to college. And to a degree it is fun, a good sharp contest. But I think we had better admit two things about it:

1. Most of us appear to be fishing in the same suburban pools for the same young men. We must certainly ask ourselves if we are, individually or as a group, putting our scholarship money where it will do the most good for the country.
2. As the competition for enrollment and talent gets tighter, as it will, we may undercut the old-fashioned idea that scholarships are intended to help the needy and deserving scholar, and that well-off families should help themselves. We will do ourselves and the country no good if we diminish the force of this fine old idea.

It was with these problems in mind, and to establish a general control on our own scholar-



We adjust the scholarship to leave him a bigger financial hole to fill with a job

ship activity, that we set out three years ago to try to find how to judge the financial need of a student. We suspect that a good many other college offices have been laboring on the same task. And we, for our part, want to start swapping ideas, and checking our work.

The student's financial problem, like anybody's, divides into two general pieces—expenses and resources.

There is no need for a detailed discussion here of student expense budgets. The budgets will differ from college to college, mainly because of differences in stated charges. You may care to know that next year Harvard's basic budgetary allowance for a resident scholarship student, not counting travel costs, will be about \$1,950 a year. This includes \$800 tuition, a \$30 medical fee, \$500 for board, \$300 for room, and some \$300 for personal and miscellaneous expenses, including books, entertainment, and so on. To the \$1,950 base budget we add an allowance for travel, covering two round-trip railroad coach rides home each year. Thus our California student's base budget is about \$2,300 a school year.

It is the student's financial resources that concern us particularly. Here lies the tough problem. And in this area, as we might expect, we find the big differences of opinion between the

colleges. Let us list the items that make up a student's resources. There are his own earnings. There are his own savings which he expects to apply to college and professional school. There are outside scholarships and grants. And finally, most important of all, there is the support he can expect from home.

STUDENT'S EARNINGS

Perhaps I should say a word first about the student's earnings during term-time. It is our current impression that what we accomplish finally by a scholarship award is to regulate the amount a student will have to work or perhaps borrow, during term-time. So we leave our calculations of term-time earnings until last. If a man has a fine program rolling, and considerable work at 90¢ an hour would spoil it, we tend to set him a scholarship which will reduce the need for term-time work. If he is not accomplishing much, we adjust the scholarship to leave him a bigger financial hole to fill with a job, or a loan. In general, we think 10 to 12 hours a week of term-time work is easy, 15 hours is medium, and 25 hours or more too much.

As to summer earnings, we expect \$300 net from the upperclassman, and \$250 net from the incoming freshman. If the man earns more, we admire his effort, and we do not count it against him in the numbering we do to measure his need.

We ask a man to list his savings, and also his long-range educational plans. If he has \$100 or \$200 and plans on medical school, we forget it. If he has \$800 and plans on medical school, we ask \$100 a year towards college. In general, if there are sizeable personal savings, we divide by the number of years of university study ahead. If there is an outside scholarship, we count it at full value among the resources.

Of course the keystone number in any figuring of a student's financial need is how much the family can afford, and can fairly be expected, to give him. Establishing a fair family contribution is about as complex a calculation as one could wish, but the fact is, most colleges

use very rough rules of thumb for reaching their estimates.

For instance, at Harvard until three years ago, we used the 15% rule, which seems to be pretty common. We would calculate 15% of the net family income as a basic expected contribution. From that we would subtract \$100 for each other child in the family in public school, and \$200 for each other child in private school or college. Thus, if a family had \$10,000 income, and two other children in prep school, we would expect 15% of \$10,000, or \$1,500, minus \$200 each for the other two children. Their expected contribution toward the son's expense at Harvard would be \$1,100.

This was a flexible rule, and the dean reading the folder was expected to use his own judgment in evaluating and taxing family assets, in determining how much the student should earn in the summer, or in term-time, and how much savings to tap. The 15% rule is fast and handy, but we were troubled first because it seemed to have no clear relevance to the family's problem, and it certainly did not help much on the cases where there were any complications at all.

15% RULE NO REAL BASIS

It simply gave us no basis for making systematic judgments. If one man could read all the applications and set all the recommendations for the faculty committee, there would be some uniformity, but even then there would be



The keystone is how much the family can afford

the exceptional cases, and the large unsettled areas of family assets, boy's savings, and earnings and so on, to create trouble. If you had a number of readers making recommendations, as numbers of applications forced us to do, then there was indeed a pretty confusion of styles. Under these conditions, the reader and the committee tended to move toward the traditional center of scholarship gravity—tuition. A tuition scholarship was usually safe enough. It might be \$100 or \$200 more than a man actually needed, or less, but nobody but the student was likely to know the difference.

We decided we could improve upon the rule-of-thumb technique. Whether we have succeeded remains to be seen, but we are striving.

First, we get a good deal of information from the parents. We ask the name of the father's or mother's employer, the nature of the business, and the job he or she holds. We ask the names and ages of brothers and sisters who are not yet in school or in public school, who are in private school or college (together with any scholarship awards they may hold), who are no longer dependent on the family for support. We ask for the names and ages of any other dependents.

As to income, we ask for the total income of



John U. Monro has worked in and for Harvard, and Harvard students since his own student days, starting in the Harvard News Office during his senior year. After time out for service in the Navy, he returned to Harvard as counselor for veterans in 1947 and the following year became Assistant to the Provost. Since 1950 he has been Director of the Harvard College Financial Aid Center, an organization whose functions, problems and methods of operation he describes in the article above.

the father and mother for the year past, and the estimated income for the year coming, as well as a listing of business expenses charged against this income. We ask for the Federal Income Tax and a listing of any extraordinary expenses expected during the year, such as medical bills.

As to assets, we ask for the present value of real estate holdings and the present mortgage, a listing of savings, and the total cash value of stocks and bonds. We ask for the maturity value and the cash value of life insurance policies. And against the listed assets, we ask for a statement of indebtedness.

Then we ask the father and mother to tell us how much they are giving their son this year out of income, and out of principal, and how much they think they can give next year. We ask what their son will receive in addition from other relatives, legacies, gifts, educational insurance, and outside scholarships. Finally, we explain our loan and employment programs, and ask the parents whether they want their son considered for a loan or a job if he needs it. We leave space for special comments and invite further statements of the circumstances that might be of interest to the scholarship committee.

FAMILY INQUIRY SATISFACTORY

Two questions generally arise with respect to this form:

Do we have much protest about it? Very little. Of some 3,000 families filling out this form every year, there are perhaps 10 who complain audibly. Only one or two refuse to fill it out. I am sure that a good many more parents don't like it, but I am also dead sure that, on our side, we have got it down to a bare minimum, considering our present skill in measuring need.

Do we employ an outside credit-check on the family's worth? No. Once, for a short while, we did. But we found that we knew a good bit more about our families than the agency, anyway. We feel that very few families try to fool us. The evidence of it is usually visible in their

own form, and if it is not, it shows up quickly enough in their son's behavior at college, how he spends his money, or works, or fails to work. The fact is, we have learned not to look for trouble. The overwhelming majority of our families are honest, and do their best to make their situation clear to us.

Our purpose in gathering so much information from the family is to reach a firm estimate of our own of how much money they should give, to compare with their offering. In describing how we go about it, it should be noted that we tax income and assets separately, and by different standards.

As to income, we have two lines of attack. Our first assumption is that a family is obliged to maintain a child, to provide food, shelter, clothing, and so on. We calculate this cost of basic maintenance at 12% of the net family income for an only child; at 10% each if there are two children; and at 8% each if there are more than two children. Because our expense budget covers the maintenance items for about nine months out of the year, we count on receiving three-fourths of our "obligatory maintenance" figure for the year. For example, taking a family with \$6,000 income, and two children, the maintenance calculation for one child would be 10%, or \$600 a year, and we would want 75% of that, or \$450.

Besides the amount for maintenance, we apply a second tax on income. We count up what the mother and father have left for themselves after meeting certain big commitments, and call this the "family remainder." To arrive at this number, we take the net family income and subtract from it the following: the maintenance estimates for all the children; the Federal income tax; any heavy expected medical bills; \$500 extra for each child in private school or college; and \$250 each for any dependent old folks. Whatever is left to the father and mother we tax progressively. Our tax is 2% when the "family remainder" is \$1,000, and rises to 10% at \$7,000 or more.

To get our total expectation from income we

add together the "maintenance" estimate, and the tax on the "family remainder." In the case of the family with \$6,000, and two children, the total expectation from family income would be about \$700. The accompanying table shows how our normal expectations work out for one-child, two-child, and three-child families with incomes from \$3,000 to \$8,000.

CALCULATED FAMILY CONTRIBUTION FROM INCOME

Income	One Child	Two Children	Three Children
\$3,000	\$400	\$325	\$250
4,000	550	450	375
5,000	750	550	475
6,000	875	700	575
7,000	1,050	800	700
8,000	1,250	975	800

In about one-half the cases there are no complications, and we can pull these numbers off a chart in about a minute. If there are complications, we can usually work through the whole evaluation in 5 to 10 minutes. It sometimes seems a lot of time when you are fighting a stack of 1,500 folders, but then we reflect that perhaps it is not asking too much to spend 10 minutes on a financial snarl it has taken the father and mother a lifetime to assemble.

As to assets, we think they should be tapped. We know that it is an old New England tradition to accept dishonor before tapping the family till, and we know some colleges, alumni, and parents who feel we are monsters. But we remain convinced, wondering what better use there can be for a family's savings than helping the children go to college. So we tax assets, gently and gingerly to be sure, as is appropriate in New England, but steadily and expectantly too.

We start by adding up all the family cash savings, and the stocks and bonds, plus one-third the real estate equity and one-third the cash value of the life insurance. From this total we subtract the family debts, and an emergency allowance of \$500 for each member of the family. What remains we call "vulnerable assets,"



Better to accept dishonor than tap the family till
and we set a tax on them of 2% when they are \$2,500 or less, 3% between \$2,500 and \$7,500, and 4% over \$7,500.

TYPICAL FAMILY CONTRIBUTION

For a typical case, take a family of five, with \$2,500 in savings, a \$15,000 house mortgaged for \$9,000, and \$3,000 in paid up life insurance. The "vulnerable assets" here would figure out to \$3,000 and the tax, at 3%, would be \$90. It is not a heavy tax, but the application is persistent, and when we get a \$10,000 or better showing in "vulnerable assets," taxed at 4%, we begin to get an appreciable item. And we should.

To get our total "calculated contribution" from the family, we add the expectation from income, and the expectation from assets, and that is our total.

The next step is to compare this calculation with what the family is offering. If there is a wide gap, we go back to see if there are special

circumstances we should reconsider. Then we work out a compromise, which is our final "required contribution." Ordinarily we are ready to move \$100 up or down toward the family offering and, of course, in other cases we compromise further.

ALL-IMPORTANT ESTIMATE

With the family contribution in hand, we are prepared to extract our all-important estimate of student need. We add in the student's other resources—\$300 from summer work, the expectation from savings, outside scholarships, etc.—and subtract this from his allowed budget. Thus we arrive at his need figure for the year, before our scholarship award, and before any loans or term-time employment. What we can do with our scholarship then is fill a carefully measured financial hole, just as far as the committee chooses to go.

That is our system, and some questions will immediately arise about it:

. How well, in general, do our calculations agree with family offerings? Pretty well, and they should, for we have been shaping the formulas all along, as closely as we could, to averaged curves of family offerings. A year ago we conducted a study of the offerings of one-child and two-child families having no assets, or having substantial assets, and charted the family offering against income. It was a crude study, but it helped refine the formulas to their present form, and it also uncovered a fact or two about our economy.

We observe, for instance, that among low income families the family offering rises very steeply with increased income—up to a point. We found that two-child families with \$2,000 income offered about \$100; with \$2,500 income about \$350, and with \$4,000 income about \$600. But at the \$4,000 income level, the upward curve of contribution stops. At \$5,000 the average offering is still \$600, and not until an income of \$6,000 is reached does the family offering start moving up again.

This is a very real effect, observable in every

curve we have ever made of family offerings. We have two thoughts about it. One is that the break-point in the curve, \$4,000 for the two-child family, marks the point where the mother and father join the middle class, and go into hock for a car or a new refrigerator. We sometimes refer to it as the "Easy Payment Syndrome." One-child families continue boosting their contribution sharply until the income reaches \$6,000, but then they, too, level off and take it easier until they hit \$8,000. Then their offerings move on up again.

The other thought about this effect is really just a hunch, but it may be important. We have noted that our students tend to block out their expenses into tuition, room, and board, and then calculate ways to meet each block. There is a strong possibility that families, just as fast as their incomes permit it, try to pay the whole tuition cost, and having done so, relax a bit. With this possibility in mind, I, for one, would be wary of lumping tuition in an overall total of charges discouragingly far beyond the range of the low income family.

In general, then, our calculations agree with the family offerings. In the fair-sized number of individual cases where they do not, we now have a standard pattern which, as we see it, has been set pretty much by the majority.

FORMULA'S EFFECTS

What effect have our new formulas had on scholarship stipends? In general, the formulas have helped us to move away slowly from a strong tradition in our committee that "tuition was about right" for most scholarship awards. Just how slowly we are moving I shall have to confess in a moment, but compared to our former procedures, we now range pretty confidently up and down the total need scale, awarding \$100 or \$200 scholarships where the need is light, and \$1,400 or more where the going is heavy.

What happened to the individual student, of course, was most important. In our first year with this system we found the strength to move



We seem to be gaining ground, albeit slowly

in and raise and lower many scholarship stipends. For the most part our changes up or down were \$100 or \$200, but a good many cases were altered \$300 to \$500. What we did, in effect, was move up the stipends of the needy, at the expense of those men relatively well off. It sounds sensible and easy, indeed. But the fact is, in our big program we simply had to have a sound basis for making relative judgments of need before we could be fair.

How important is all this? Terribly important, of course. Let me put it this way. If we give a very needy student, out of old habit, a tuition scholarship of \$600 when he really needs \$800, it may be very hard indeed for him. It leads him, perhaps, to work 25 or 30 hours a week for wages, sacrificing academic work, extra-curricular activities, fun, even his health, in the desperate effort to cope with a financial problem we have carelessly set for him. Two hundred dollars extra means much to this man. On the other hand, there is the man who needs a \$400 or \$500 scholarship, and out of old habit we may give him a tuition award of \$600. If we do, we just give him extra spending money. It is up to us to spot the difference. It is not easy.

We have studied where our money went in the 732 regular upperclass scholarships awarded by our committee last summer. For this group of sophomores, juniors, and seniors, we voted grants amounting to \$381,000, an average of \$520 each. Of the 732 scholarship winners, 513, or 70% were from families with incomes below \$6,000. They received \$288,000, about 75% of the money. It was not enough. We had 411 men, or 56%, from families with incomes below \$5,000. The mean came at about \$4,500. Almost exactly half the men, 373 out of 732, had family incomes in the range of \$3,000 to \$6,000.

The most significant figures, however, are those showing our average stipends, as contrasted to our fairly painstaking estimates of financial need. The table follows:

Estimated Need	Average Stipend
\$200-299	\$228
300-399	260
400-499	307
500-599	356
600-699	442
700-799	467
800-899	540
900-999	573
1,000-1,099	630
1,100-1,199	683
1,200-1,299	683
1,300-1,399	748
1,400-1,499	930

It is perfectly obvious to us, as we read this table, that although we have come some distance in the past three years, we have a long way to go. For all our trouble and effort to measure need carefully, it is still too easy to meet the needs of the man fairly well off. We are still sticky around the old tuition center of gravity, and we are evidently still reluctant to rely on our arithmetic when it calls for very large stipends.

But, to ourselves, we seem to be gaining ground, albeit slowly, against our old, long-standing habits of mind. I shall achieve a good part of my purpose here if I manage to convey to you just how difficult a problem this really is.

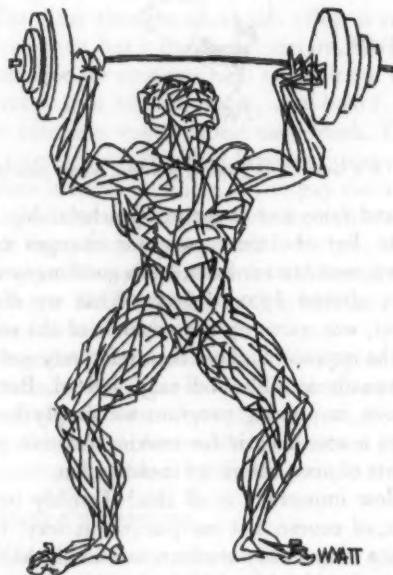
Are Scholarships Improving Education?

The blessing of scholarships can become the bane of both students and colleges — by J. EDWARD SANDERS

There was a time, as far as I can discover, when scholarships were used exclusively as a means of assisting students who lived nearby and needed financial help to attend college. The bases for making the awards were generally need and the reputation of thrift and character. The recipients frequently gave some service in return and there was a general assumption of some obligation to repay all or part of the scholarships. There are many colleges for which this description is still accurate—but they are not members of the College Entrance Examination Board.

I say this from a firm conviction that in recent years our philosophy about the use of scholarships has been changing steadily. The desire to assist needy students is still present and essential but to it has been added what seems to be considered a more important purpose. Scholarship programs are now being used as the primary instrument for the general strengthening of the student body. This strengthening is generally sought in three ways: in diversification, in embellishment, and in enlargement, though the third goal is ordinarily unmentioned.

Let me carry this a bit farther. As I watch the scholarship awards in the region in which I have the opportunity for first hand observation it is clearly evident that, though need is a factor, the major influence in the decision is the contribution the student is expected to make to the awarding college. Three factors seem generally to be taken into account: special abilities, which



WATT

Scholarships are used to strengthen the student body

may be intellectual, musical, athletic, or social, to mention a few; a reputation for charm and popularity which, it is presumed, will attract other students from the community; and distance from the college. Perhaps I should add a fourth for some colleges, namely youth.

Now it will be obvious immediately that if we use cash awards to divert students from one college to another because of their hoped for contribution to the college, it will constantly test our integrity. This is the exact philosophy

which has brought us nationally to the present sad state with respect to athletic scholarships. On the whole, Board colleges have been quite successful in meeting the athletic scholarship situation but a visitor would have to be both deaf and blind to fail to discover irritation, suspicion, and gossip about the operation of our general scholarship programs. There is a widely held belief that the situation is becoming worse. It is my judgment that most of the problems are directly related to the change in philosophy which I have mentioned above. When we used our funds for needy, local students there was comparatively little competition for students between colleges. The change in philosophy has brought increased promotional activities and heightened competition.

ENCOURAGE MULTIPLE APPLICATIONS

Our present scholarship programs seem to follow a regular pattern. First, the amount of money allotted to scholarship programs is increased, sometimes without any relation to the colleges' resources for doing so. Second, individual stipends are increased. Third, to a varying degree the scholarship promotion campaign is extended to cover all or a substantial portion of the nation. The net result is that students are filing more duplicate applications.

The scholarship programs are producing more applications but they are also bringing rather serious problems. Among them, those caused by variations in procedure are becoming more vexing. These problems may relate to such factors as time, involving large variation in the date for filing applications, for notifying accepted candidates, and for accepting offers; test requirements, both as to date and examinations required; and location.

In reference to location, we should bear in mind that as a college extends promotion of a scholarship program, it moves out of what is sometimes considered "natural competition." The strong eastern college competes primarily in Chattanooga, not with its "natural competitor," but with Vanderbilt; in Shreveport,

with Tulane; in Fargo, it might be with Carleton; in San Francisco, with Stanford. This might be referred to, not as unnatural, but as induced competition. The more we extend our clienteles the more we must seek common agreements and procedures on a national as well as a regional basis. The desire for national distribution is one explanation at least of the recent rapid growth in the membership of the College Board, and the operation of the Board has certainly facilitated this movement.

Another important variation in procedure, of course, is the amount of the scholarship stipend. There is a wide diversity of opinion as to the degree of austerity or opulence in living standards which a scholarship stipend should support. There is also a corresponding difference of opinion as to the amount of austerity, plus responsibility, the student's family should assume. In connection with these two points I have developed an axiom to use with each. The first, of course, is that my college invariably requires the proper degree of austerity of its scholarship holders. The committee does not believe it is appropriate to underwrite fraternity expenses, for example, considering this an invitation to opulent living. On the other hand,



This is not natural, but induced, competition

it assumes the possession of an automobile is one of life's simple necessities. Needless to say, there may be some who would reverse this reasoning. The second axiom is that, in connection with the family income, each college sets as the appropriate limit for family income the lower range of the college's full professor salary scale. It is not that they consider anything higher than this as opulence, but anything lower as real austerity. The lower limits are used because there are ordinarily some junior members of the faculty on the scholarship committee.

RISE IN STIPENDS

Also contributing to the general scholarship problem is the inflation of stipends as a result of the increased competition. I could cite many colleges in which scholarship stipends have been raised despite the facts that there has been no comparable rise in fees, no increase in the college scholarship funds, and average salaries have been going up nationally.

There is, incidentally, considerable confusion on this point. From campus to campus one hears the charge that another college juggles its stipends to exceed competing offers. The plot of the story is always the same. Only the cast of characters changes—or at the least the roles are shuffled. Actually, what happens is that most scholarship committees are forced to continue their work well into the summer months. Because

of the over-offering, some scholarships are returned by new students; old students withdraw or lose them. Additional funds thereby become available from time to time after the regular announcements have been made and, as a result, meager stipends are raised and additional students are added to the scholarship lists. In no case, to my knowledge, has this been done merely to meet an offer from a competitor. Part of the story is supplied by the students, who tend to feel embarrassed when they tell us they are returning or refusing a scholarship. Face is saved all around if the award accepted is reported to carry a larger stipend—and so they became larger.

What is both true and serious is that, though we are not bargaining for individual students, we are now setting our scholarship stipends, in the first place, very largely on a competitive, what-the-market-requires basis in this present sharp competition.

BAD EFFECT ON STUDENTS

An unfortunate result of this is that the influence on students is bad. Because of our over-offering the successful students tend to have several offers, to get from this an erroneous impression of themselves, and to feel they confer a favor on the college whose scholarships they accept. Many people think this problem is a real and not a fictitious one. The unsuccessful students get an equally erroneous impression of their inferiority.

It is also clear that this search for the most distant and most glamorous students is materially increasing the cost of education for the college. To some extent all colleges can assume that the nearby clientele knows about them without extensive promotional activity, but none of us can depend on chance recruiting at a distance. To make things more difficult, students from a distance do not bring their friends; each one must be located and interested individually. We must seek our students and we are now using most of the devices known by the public relations experts. We illustrate our cata-



On returning to the pages of the *Review* for an encore, Dr. J. Edward Sanders explained that he refrained from much comment on scholarships in his February issue article because the visits to colleges on which some of his observations are based had not been completed. This is a suspiciously straight statement to come from a traveler whose movements have been essentially circuitous for five months.

It does not really say whether his earlier reluctance to express opinions on scholarship practices was based on the desire to complete all the information in one article or to complete the trip all in one piece.



A student from afar brings regional flavors

logs and print more of them. We distribute illustrated sales booklets. We have more traveling representatives. One college this year purchased 90 prints of a colored movie for the use of its traveling representatives and alumni committees. The stipends must be larger because of the item of travel and, as travel increases costs, more students require awards.

I have stated these problems without more elaboration on the assumption that the reader can provide any needed documentation from his own experience. I want to discuss in somewhat more detail a few fundamental criticisms of the concept of the distant and the prestige student.

Prestige scholarships are not necessary for either diversification or enlargement of our student bodies. If enlargement of the student body is desired, it seems certain to me that, except for a few colleges, recruiting at a distance brings the least return for the money expended. If by diversification we mean, or desire, an increase in the number of students from little represented social and economic groups, or from minority groups, then this can certainly be achieved more successfully and economically within our region. I am afraid the usual method of seeking diversity by distribution is to get out

the brief case and start for New Trier or Scarsdale or South Pasadena.

The reasons offered generally in support of the emphasis on distribution are that a student from a distance brings with him regional differences and flavors from which other students benefit, that the student thus brought benefits from acquaintance with the region to which he has come, and that the student will receive in most cases a better education than would have been available to him. There is obviously truth in these opinions, but it is easy to overestimate it, particularly as to the value to the college. Students who prefer to leave their regions tend to be atypical students. In addition, they tend to be absorbed immediately into the common patterns of the new place. If they are well adjusted, they "do as the Romans do," and unless this blending is achieved, they tend to be quite unhappy about it all.

There are, of course, real values possible in the exchange of students between regions and I will return to this point later with an alternate proposal for achieving them.

THE VALUE OF TRAVEL

It is possible that at this particular time, after some six months of fairly steady travel, I may not have a proper appreciation of the values of travel. Even so, if you have driven down Highway 1 from Jacksonville to Miami recently, or tried to get into a motel after 4 P.M. on Highway 66, or searched for a hotel room in the middle of the week in Chicago, or Cleveland, or Columbus, you find yourself wondering whether higher education should now feel itself obliged to subsidize mobility. Whatever else Americans may be, they are certainly travelers. However, since colleges obviously are seeking a wider distribution of students and will not change this merely to please me, I should bow to this with grace rather than with churlishness.

As an evidence of compliance I am happy to be able to say that I am working on a plan to solve our financial problems. I have just made a proposal to a gentleman whose title is Vice

President in Charge of Reducing Passenger Deficits of one of our best known railways. The title is quoted exactly from the *New York Times* which does not jest on its financial page. Despite the deficit on passenger traffic, the railroad has made an overall profit, a considerable portion of which, needless to say, is now paid out as taxes. My proposal is that the railroad make a contribution to national scholarship funds up to the full 5% it may deduct for tax purposes. These scholarships would be awarded to applicants from territories served by the railroad so that most of the money will immediately be returned to it as passenger revenue. From this additional revenue it will make even larger profits and thus be able to make even larger contributions to scholarships from which to make more awards from which the railroad will secure more passenger profits from which it can, etc., etc. From this example it is so easy to see what can be done with other railways, airlines and bus companies that I am now starting to work on the problem of foreign students. This is all very basic, I feel, and if you see some fallacy please do not tell me or the Vice President.

DIVERSIFICATION OR SHIFT?

A second fundamental criterion of the diversification idea is that competition for the prestige student accentuates the tendency of present scholarship programs to do little except shift students from one college to another. This can have merit, but again it is very easy to overestimate the social value of present achievements. The information on duplicate applications makes it clear that the bulk of the competition is between fairly strong colleges, each of which is likely to offer a fair opportunity for good training. Recent studies of staff members at Wesleyan as to the colleges from which our scholars come show that the colleges with the most marked success in producing scholars are far more widely distributed than many would have guessed, and some of the most marked successes have occurred in unexpected places. There is no reason to believe there is any smaller



Regardless of our many virtues. . . .

distribution in success in the achievement of other educational values.

I have more idealization of colleges and universities than I have for any other man-made institutions. Regardless of the many virtues we possess, and there are many, objectivity about ourselves, modesty, and humility are seldom among them. A visitor is impressed with the fact that we tend to be rather self-contained universes, with very little information about other colleges. This campus parochialism seems to me to be as undesirable as the provincialism which tends to characterize any region. I want to return to this later with a suggestion as to a possible small attack on it.

A third problem of national scholarships, it seems to me, is that if such programs become impressively successful, they will assuredly result in strengthening the strongest institutions but at the price of weakening institutions and areas from which the national scholars come. I am aware that many of you will consider this statement highly controversial. In support of it, let me say that in 1949-50, the last year for

which I have been able to find figures, approximately 90% of all students attended college in their home state or in a state bordering on it. Outside of New England and the upper Middle Atlantic states the percentages vary between 90% and 94%. The nation is so large, population is so widely distributed, and the influence of proximity is so influential in a college choice that the nation cannot be well served by a small concentration of strong colleges, regardless of how strong they are.

The final point which I wish to make in this connection is that preoccupation with the prestige student is tending to blind us to the economic facts of life of recent years. All available evidence makes it clear that the relative cost of attending college has declined considerably in the past decade. Since 1941, the average family income has increased approximately 150% while the average cost of all college fees has advanced approximately 75%. In approximate figures, the income of the middle 50% of the families in 1941 ranged from \$900 to \$2,500. By 1950 this range had risen from \$2,250 to \$5,400. In the volume *Financing Higher Education in the U.S.*, Dr. Millett illustrates this in another way, as follows:

1. He assumes that in 1941 a family income of \$3,000 was necessary to permit a child to attend college. The percentage of families having such an income was 17%.
2. He assumes an income of \$5,000 is necessary to permit a family to send a child to college in 1950. The percentage having this was 30%.

Dr. Millett's income requirements may be on the low side, but the proportions persist if both figures are raised proportionately.

EMPLOYMENT OPENINGS BETTER

One additional factor is that part-time employment is more available than it was in 1940 and the wage scales are higher. I do not have figures for this but it is my opinion that to earn the same percentage of his college costs, the

average student would be required to spend fewer hours at part employment in 1950 than would have been required in 1940.

The assumption that it is financially easier to attend colleges in 1950 than in 1940 is clearly supported by the increase in college attendance. In 1940 approximately 15% of the age group was in college. The estimate is that 20% were in college in 1950, and the number has increased since then. The increase in actual numbers is approximately 400,000 which clearly rules out any possibility that any substantial portion of this increase is the result of our present scholarship programs.

WHY INCREASE SCHOLARSHIPS?

If these are facts, then why has it been found necessary to increase scholarship funds, even to the common practice of taking them from already lagging faculty salaries? One explanation, of course, is that we are attempting to maintain a total college capacity which is larger than needed during the early fifties on the assumption that this now unfilled capacity will be needed by the late fifties. We are moving out of this condition rapidly. Another explanation may be that as ability to pay for college training has increased, the willingness to do so has declined. Since 1945 in the United States there has occurred the most rapid upgrading in the standard of living the world has ever seen. It is expressing itself in more and better housing, more and better household labor saving and entertainment machinery, more automobiles, longer and more expensive vacations. These are expensive to support. College students expect the same upgrading in their standards of living. Both parents and students expect to enjoy this much higher standard of living before any money is allotted to educational needs. Let me read a portion of a letter received by a member college this year from a father with an income in excess of \$32,000 annually, who was seeking a scholarship for two of his sons:

Since I, in common with most parents of my age, cannot feel that it would be sound planning for

our personal future to consider savings as available for use at this time, nor loans on life insurance prudent, . . . we must meet college expenses from net income after taxes. I feel that what we have saved (since it is impossible to add to capital assets under present conditions) must be kept inviolate for our own future safety, and particularly of my wife when there is no longer any earned income.

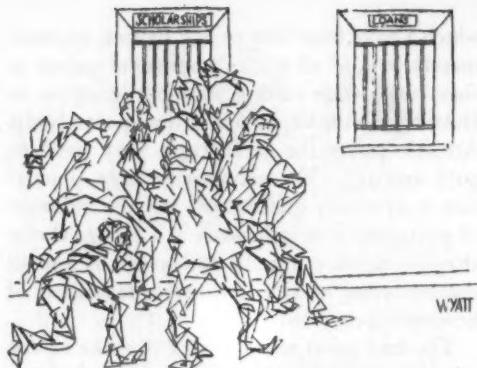
This is a blunt statement of a point of view which has, I believe, far more acceptance now than it had in 1940, for example. A corroborating fact is that the demands on our scholarship funds increase but our loan funds go increasingly unused. At the same time installment buying on everything except education is at an all time, even disturbing, high.

There is one possible contradiction which disturbs me. Families with incomes of \$5,000 pay relatively little income tax but it is very difficult to keep in mind the influence of the income tax as the incomes rise. Perhaps families at the upper 10%, the group who used to send children to private colleges, are actually more pressed, have less usable income than the figures suggest. Also there is a possibility that the widespread increase in income permits more parents to think of tuition free colleges, but not private colleges. Regardless of these questions, however, one exciting possibility opens up. Perhaps now for the first time 40, 50, or 60% of all the people are able to consider a college education, particularly if they can get some scholarship assistance. The corresponding figures would have been 20, 30, or 40% no longer than 10 years ago. Perhaps in this truly revolutionary fact is to be found the explanation of the astonishing upturn in scholarship applications we are all receiving. If we want distribution through the lower economic level, certainly this is more widely possible than ever before.

COOPERATIVE POLICIES NEEDED

In conclusion, I want to make three specific proposals:

1. That the member colleges, possibly working through the Board, proceed at once to develop procedures for determining financial need



Our loan funds go increasingly unused

and financial eligibility to which all colleges would be invited to subscribe.

2. That we undertake, possibly beginning with regional organizations, a fundamental review of our scholarship programs looking forward to some hoped for reduction in the competition which now exists. We are now following a path which so closely parallels the athletic scholarship pattern that we should be warned by this fact.

3. That colleges be encouraged to undertake a program of fairly extensive student interchanges, probably at the junior level, as an alternative to national scholarship programs. Colleges which by reason of their excellence are in a position to be national in outreach and influence might find this a more effective instrument than national scholarships, with few of their problems. It would be equally as effective in counteracting regional provincialism and at the same time the parochialism of each campus. It would strengthen areas and colleges which otherwise might have strength drained away by the national scholarship programs. It would be more economical. It might be both appealing and practicable for larger numbers of individuals. There would be some new problems created, but if taken seriously such an interchange could have so many possibility values that it is itself a subject for a symposium, not one for me to encompass at the end of this paper.

Authors Meet the Queries

Off-the-cuff answers to questions on scholarships — by this issue's trio of authors

On the financial form required at Harvard for those who apply for scholarships, how many items go to the applicant and his parents?

MONRO: The student fills out a four-page form and the parents also fill out a four-page form, of which actually only two pages contain the information. The other two pages contain the parents' estimate of how much money they think they can give their son, their comments on whether they want him to work, and any additional remarks they may wish to make.

I am interested in the status of scholarships which do not use need as a basis. Are those in ill repute, or are grants still given on the basis of tests without need as a factor?

STALNAKER: I recall in the very distant background of my experience when associated with the University of Chicago that we had one scholarship program that was based exclusively upon test results without any regard to need.

SANDERS: I am sure 95 to 98 per cent of all scholarships are given on the basis of need as a factor. There is perhaps one honor prize where there are 50 scholarships based on need. Very few colleges give honorary scholarships without cash prizes and they are listing them as scholarships.

MONRO: We have to my knowledge one prize scholarship in the whole program which goes, I think, to the top man in the freshman class and which is awarded after mid-years without

respect to need. Every single one of the other 1,050 awards has a close calculation of need and a straight "A" student who came to us with no need would get no financial award.

Dr. Sanders, you stressed pretty heavily the national awards and the desire to bring in students from various sections of the country. Is that a phenomenon more or less limited to the eastern colleges or is the West now trying to attract students that way from the East also?

SANDERS: I did a quick study recently on this and of the 143 Board member colleges would say as far as I could classify them that at least 50 are now operating national or regional programs. I could remember offhand at least another 10 non-member colleges which are doing so. The number seems to be increasing a little year by year. At the moment the bulk of the scholarships are in the Northeast but there are some regional scholarships now being pursued fairly aggressively in the West.

STALNAKER: I might say when I was at Stanford there was a regional program that went as far east as Utah.

Was the \$4,500 mean income figure Mr. Monro quoted net or gross, and what is the size of the professional staff of the Harvard Financial Aid Center?

MONRO: The figure is net, that is, net after business expenses and before income taxes. As to the size of our staff, I work full time at this

with one full-time assistant and one half-time assistant, one full-time secretary and one half-time secretary. The men mainly interview students and work the calculation I described. Perhaps I should explain that our operation is divided in two. We have a Freshman Scholarship Office which is concerned with the screening of men who are candidates for admission, representing somewhere between 1,500 and 2,000 applications each year. This is a very large operation and requires a separate staff making recommendations to the Scholarship Committee. My office is concerned with men who have been admitted, generally speaking. As soon as they are admitted I take over responsibility for helping them pay their way. That means of course that I have to have some advisory functions in connection with how much the man gets to start with.

Would it be possible for colleges to give schools some of the information which Mr. Monro has given us, as to the expectation of the contribution of the families? In secondary school work we are conscious of the fact that some families who really should ask for help are reluctant to do so, feeling that their need is not sufficiently

acute, where other people with very much less need seem to think it is perfectly reasonable.

MONRO: For reasons that are not quite clear to me the colleges have held off this information as a kind of secret druid formula. I agree that it would serve many purposes to publish it. In fact, for the first time this year we did publish a table of our expectations in the financial aid pamphlet that went to the schools and to students. I did this holding my breath.

I am only too aware that the formulas and mechanisms by which we arrived at these numbers are pretty shaky. One reason I expose them here today is to try to start strengthening them as fast as I can, but I suggest to you that one reason why the colleges have not published these is because they have not known much about it and it is time we did.

I should like to ask Dr. Sanders if in his travels he found that many colleges were using any checks on the truthfulness of the statement of need given by the parents.

SANDERS: I found, I would say, fewer than a half dozen that are getting credit rating reports from established credit organizations. One or two colleges which have attempted that have given it up because it proved to be virtually useless to them. In general, most colleges say they just have to take this on faith.

MONRO: At Harvard some years back we tried credit ratings and got less information from them than we had already; in general we felt our information was more reliable than the credit company's. My impression is, aside from the expense, that we would do much better observing the man's behavior in school.

We try to make it clear that we have a responsibility to put scholarship money where it is most needed, that this is a tough responsibility, and that we need their help.

Students at this particular age have needs other than simply meeting the financial demands of the college. Ambitious and able students who



happen to be the sons and daughters of very well-to-do fathers sometimes have a need for a certain sort of independence to select the type school they wish to attend and the curriculum that they wish to follow. So I should like to speak for that unfortunate student who comes from a family that is very well-to-do.

STALNAKER: I might venture a word on behalf of the student who comes from the family of very small means and say that the detrimental influence of the parents can also be great in those cases.

Mr. Sanders, granted we have our faults in the scholarship programs, have you noticed any pressure by secondary schools for scholarships? One man recently visited us on a 5,000-mile tour from a high school, boasting they had \$175,000 in scholarships granted their senior class.

SANDERS: I must say I cannot top that story, but there is no doubt the high schools have accepted our statements that we will not pursue students to the extent of being willing to pay for them and are doing their best to present them to us in the most appealing form.

We have been talking about the financial background and aspects of this problem. Would anyone care to speak a word in favor of scholarship, itself?

SANDERS: The evidence on my tours was that there is no great prejudice against it.

Two of the speakers mentioned the fact that loan funds are not widely used. I strongly suspect that the size of the scholarship budget has something to do with the use of the loan funds from institution to institution. Should not a boy who has financial need expect to get out of college in debt?

STALNAKER: One of the real difficulties in calculating the amount of debt a person should have is to estimate the extent to which he is

going to carry his education. It is one thing for the person who is to get a Bachelor's degree and go out into employment immediately. It is quite another thing for the man who is going to a Ph.D., to the M.D., to professional engineering degrees, or to a number of other advanced degrees.

SANDERS: I agree heartily that we should require some loans. In my college it has been disturbing to find that in the last five years fewer than 50% of the people to whom we have offered loans have accepted them, but that they still stay in college although on their carefully computed budgets they should not have been able to do so.

MONRO: When we got into this business three years ago we decided that loans would have to be an important part of our program. We were then lending about \$10,000 a year to students in the context of a scholarship program amounting to over \$500,000 and it did not seem appropriate. We were charging 4½% interest from the time the loan was made and limited the amount of the loan to \$400 for the entire college career.

Now, we charge no interest until the man gets through college. After he gets through college if he goes to professional school, we charge no interest until he gets through professional school wherever he goes. No repayment of the note is expected until he is out and earning. When he gets out we set up a minimum payment schedule of \$10 a month—\$120 a year—at 3% simple interest, never compounded. In three years time our loan program has gone from \$10,000 a year to over \$100,000. Next year we expect it to be \$150,000 and before long \$200,000, which will be about a quarter of our program and getting about where it ought to be. We think the top limit we want to loan any undergraduate is \$1,800, or \$600 for each of the three upper class years. In normal cases without strain we will take him on for \$400 a year for a total of \$1,200. We normally do not loan money to freshmen.

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